

THIS IS THE BEGINNING OF ADMINISTRATIVE FINE CASE # 3140



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

2016 SEP 14 PM 1:54

September 14, 2016

MEMORANDUM

SENSITIVE

TO: The Commission

THROUGH: Alec Palmer *AP*
Staff Director

FROM: Patricia C. Orrock *PCO*
Chief Compliance Officer

Debbie Chacona *DC*
Assistant Staff Director
Reports Analysis Division

BY: *KDR* Kristin D. Roser/Ben Holly *B.H.*
Reports Analysis Division
Compliance Branch

SUBJECT: Reason To Believe Recommendation – 2016 July Monthly Report for the
Administrative Fine Program

Attached is the name of a political committee and its treasurer who failed to file the 2016 July Monthly Report in accordance with 52 U.S.C. § 30104(a). The July Monthly Report was due on July 20, 2016.

The committee listed in the attached RTB Circulation Report filed the report no more than thirty (30) days after the due date (considered a late filed report). In accordance with the schedule of civil money penalties for reports at 11 CFR 111.43, this committee should be assessed the civil money penalty highlighted on the attached circulation report.

Recommendation

1. Find reason to believe that the political committee and its treasurer, in her official capacity, listed on the RTB Circulation Report violated 52 U.S.C. § 30104(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the RTB Circulation Report.
2. Send the appropriate letter.

Federal Election Commission

Reason to Believe Circulation Report

2016 JULY MONTHLY Not Election Sensitive 07/20/2016 P_UNAUTH

AF#	Committee ID	Committee Name	Candidate Name	Treasurer	Threshold	PV	Receipt Date	Days Late	LOA	RTB Penalty
3140	C00438291	DENALI LEADERSHIP PAC		KIMBERLY VANWYHE	\$752,206	0	8/19/2016	30	\$50,500	\$3,500

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Reason To Believe Recommendation –)
2016 July Monthly Report for the)
Administrative Fine Program:)
DENALI LEADERSHIP PAC, and) AF# 3140
VANWYHE, KIMBERLY as treasurer;)

CERTIFICATION

I, Shawn Woodhead Werth, Secretary and Clerk of the Federal Election Commission, do hereby certify that on September 16, 2016 the Commission took the following actions on the Reason To Believe Recommendation – 2016 July Monthly Report for the Administrative Fine Program as recommended in the Reports Analysis Division's Memorandum dated September 14, 2016, on the following committees:

AF#3140 Decided by a vote of 6-0 to: (1) find reason to believe that DENALI LEADERSHIP PAC, and VANWYHE, KIMBERLY in her official capacity as treasurer violated 52 U.S.C. 30104(a) and make a preliminary determination that the civil money penalty would be the amount indicated on the report; (2) send the appropriate letter. Commissioners Goodman, Hunter, Petersen, Ravel, Walther, and Weintraub voted affirmatively for the decision.

Attest:

September 16, 2016
Date

Shawn Woodhead Werth
Shawn Woodhead Werth
Secretary and Clerk of the Commission



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 19, 2016

Kimberly VanWyhe, in official capacity as Treasurer
Denali Leadership PAC
701 8th Street NW, Suite 500
Washington, DC 20007

C00438291
AF#: 3140

Dear Ms. VanWyhe:

The Federal Election Campaign Act of 1971, as amended ("the Act"), requires that your committee file a July Monthly Report of Receipts and Disbursements covering the period June 1, 2016 through June 30, 2016. This report shall be filed no later than July 20, 2016. 52 U.S.C. § 30104(a). Records at the Federal Election Commission ("FEC") indicate that this report was filed on August 19, 2016, 30 days late.

The Act permits the FEC to impose civil money penalties for violations of the reporting requirements of 52 U.S.C. § 30104(a). 52 U.S.C. § 30109g(a)(4). On September 16, 2016, the FEC found that there is reason to believe ("RTB") that Denali Leadership PAC and you, in your official capacity as treasurer, violated 52 U.S.C. § 30104(a) by failing to file timely this report on or before July 20, 2016. Based on the FEC's schedules of civil money penalties at 11 CFR § 111.43, the amount of your civil money penalty calculated at the RTB stage is \$3,500. Please see the attached copy of the Commission's administrative fine regulations at 11 CFR §§ 111.30-111.55. Attachment 1. The Commission's website contains further information about how the administrative fine program works and how the fines are calculated. See <http://www.fec.gov/af/af.shtml>. 11 CFR § 111.34. Your payment of \$3,500 is due within forty (40) days of the finding, or by October 26, 2016, and is based on these factors:

Election Sensitivity of Report: Not Election Sensitive
Level of Activity: \$50,500
Number of Days Late: 30
Number of Previous Civil Money Penalties Assessed: 0

At this juncture, the following courses of action are available to you:

1. If You Choose to Challenge the RTB Finding and/or Civil Money Penalty

If you should decide to challenge the RTB finding and/or calculated civil money penalty, you must submit a written response to the FEC's Office of Administrative Review, 999 E Street, NW, Washington, DC 20463. Your response must include the AF# (found at the top of page 1 under your committee's identification number) and be received within forty (40) days of the

Commission's RTB finding, or October 26, 2016. 11 CFR § 111.35(a). Your written response must include the reason(s) why you are challenging the RTB finding and/or calculated civil money penalty, and must include the factual basis supporting the reason(s) and supporting documentation. The FEC strongly encourages that documents be submitted in the form of affidavits or declarations. 11 CFR § 111.36(c).

The FEC will only consider challenges that are based on at least one of three grounds: (1) a factual error in the RTB finding; (2) miscalculation of the calculated civil money penalty by the FEC; or (3) your demonstrated use of best efforts to file in a timely manner when prevented from doing so by reasonably unforeseen circumstances that were beyond your control. 11 CFR § 111.35(b). In order for a challenge to be considered on the basis of best efforts, you must have filed the required report no later than 24 hours after the end of these reasonably unforeseen circumstances. *Id.* Examples of circumstances that will be considered reasonably unforeseen and beyond your control include, but are not limited to: (1) a failure of Commission computers or Commission-provided software despite your seeking technical assistance from Commission personnel and resources; (2) a widespread disruption of information transmissions over the Internet that is not caused by a failure of the Commission's or your computer systems or Internet service provider; and (3) severe weather or other disaster-related incident. 11 CFR § 111.35(c). Examples of circumstances that will not be considered reasonably unforeseen and beyond your control include, but are not limited to: (1) negligence; (2) delays caused by vendors or contractors; (3) treasurer and staff illness, inexperience or unavailability; (4) committee computer, software, or Internet service provider failures; (5) failure to know filing dates; and (6) failure to use filing software properly. 11 CFR § 111.35(d).

The "failure to raise an argument in a timely fashion during the administrative process shall be deemed a waiver" of your right to present such argument in a petition to the U.S. District Court under 52 U.S.C. § 30109. 11 CFR § 111.38.

If you intend to be represented by counsel, please advise the Office of Administrative Review. You should provide, in writing, the name, address and telephone number of your counsel and authorize counsel to receive notifications and communications relating to this challenge and imposition of the calculated civil money penalty.

2. If You Choose Not to Pay the Civil Money Penalty and Not to Submit a Challenge

If you do not pay the calculated civil money penalty and do not submit a written response, the FEC will assume that the preceding factual allegations are true and make a final determination that Denali Leadership PAC and you, in your official capacity as treasurer, violated 52 U.S.C. § 30104(a) and assess a civil money penalty.

Unpaid civil money penalties assessed through the Administrative Fine regulations will be subject to the Debt Collection Act of 1982 ("DCA"), as amended by the Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701 *et seq.* The FEC may take any and all appropriate action authorized and required by the DCA, as amended, including transfer to the U.S. Department of the Treasury for collection. 11 CFR § 111.51(a)(2).

3. If You Choose to Pay the Civil Money Penalty

If you should decide to pay the calculated civil money penalty, follow the payment instructions on page 4 of this letter. Upon receipt of your payment, the FEC will send you a final determination letter.

NOTICE REGARDING PARTIAL PAYMENTS AND SETTLEMENT OFFERS

4. Partial Payments

If you make a payment in an amount less than the calculated civil money penalty, the amount of your partial payment will be credited towards the full civil money penalty that the Commission assesses upon making a final determination.

5. Settlement Offers

Any offer to settle or compromise a debt owed to the Commission, including a payment in an amount less than the calculated civil money penalty assessed or any restrictive endorsements contained on your check or money order or proposed in correspondence transmitted with your check or money order, will be rejected. Acceptance and deposit or cashing of such a restricted payment does not constitute acceptance of the settlement offer. Payments containing restrictive endorsements will be deposited and treated as a partial payment towards the civil money penalty that the Commission assesses upon making a final determination. All unpaid civil money penalty amounts remaining will be subject to the debt collection procedures set forth in Section 2, above.

This matter was generated based on information ascertained by the FEC in the normal course of carrying out its supervisory responsibilities. 52 U.S.C. § 30109(a)(2). Unless you notify the FEC in writing that you wish the matter to be made public, it will remain confidential in accordance with 52 U.S.C. § 30109(a)(4)(B) and 30109(a)(12)(A) until it is placed on the public record at the conclusion of this matter in accordance with 11 CFR § 111.42.

As noted earlier, you may obtain additional information on the FEC's administrative fine program, including the final regulations, on the FEC's website at <http://www.fec.gov/af/af.shtml>. If you have questions regarding the payment of the calculated civil money penalty, please contact Ben Holly in the Reports Analysis Division at our toll free number (800) 424-9530 (at the prompt press 5) or (202) 694-1130. If you have questions regarding the submission of a challenge, please contact the Office of Administrative Review at our toll free number (800) 424-9530 (press 0, then ext. 1660) or (202) 694-1660.

On behalf of the Commission,



Matthew S. Petersen
Chair

ADMINISTRATIVE FINE REMITTANCE & PAYMENT INSTRUCTIONS

In accordance with the schedule of penalties at 11 CFR § 111.43, the amount of your civil money penalty calculated at RTB is \$3,500 for the 2016 July Monthly Report.

You may remit payment by ACH withdrawal from your bank account, or by debit or credit card through Pay.gov, the federal government's secure portal for online collections. Visit www.fec.gov/af/pay.shtml to be directed to Pay.gov's Administrative Fine Program Payment form.

This penalty may also be paid by check or money order, made payable to the Federal Election Commission. It should be sent by mail to:

Federal Election Commission
P.O. Box 979058
St. Louis, MO 63197-9000

If you choose to send your payment by courier or overnight delivery, please send to:

U.S. Bank - Government Lockbox
FEC #979058
1005 Convention Plaza
Attn: Government Lockbox, SL-MO-C2GL
St. Louis, MO 63101

PAYMENTS BY PERSONAL CHECK

Personal checks will be converted into electronic funds transfers (EFTS). Your account will be electronically debited for the amount on your check, usually within 24 hours, and the debit will appear on your regular statement. We will destroy your original check and keep a copy of it. In case the EFT cannot be processed for technical reasons, you authorize us to process the copy in lieu of the original check. Should the EFT not be completed because of insufficient funds, we may try to make the transfer twice.

PLEASE DETACH AND RETURN THE PORTION BELOW WITH YOUR PAYMENT

FOR: Denali Leadership PAC

FEC ID#: C00438291

AF#: 3140

PAYMENT DUE DATE: October 26, 2016

PAYMENT AMOUNT DUE: \$3,500

701 8TH STREET NW, SUITE 500
WASHINGTON, DC 20001

WILLIAMS & JENSEN, PLLC

OFFICE: (202) 659-8201
FAX: (202) 659-5249

OCTOBER 31, 2016

MEREDITH K. LESHER, ESQ.
MKLESHER@WMS-JEN.COM
DIRECT: (202) 973-5938

BY HAND DELIVERY

Federal Election Commission
Office of Administrative Review
999 E Street, NW
Washington, DC 20463

RE: AF# 3140
C00438291

Dear Mr. Peterson:

Denali Leadership PAC (the "Committee") and Kimberly VanWyhe, in her official capacity as Treasurer for the Committee (collectively, "Respondents"), through counsel, hereby submit this written response challenging the September 19, 2016 letter ("AF letter") from the Federal Election Commission ("FEC") outlining a September 16, 2016 reason to believe ("RTB") that the Respondents violated 52 U.S.C. § 30104(a) by failing to file the July Monthly Report of Receipts and Disbursements ("July report") covering the period June 1, 2016 through June 30, 2016. The AF letter also describes and imposes a \$3500.00 civil money penalty ("penalty") for violation of the reporting requirements of 52 U.S.C. § 30104(a).

GROUND FOR CHALLENGE

The Respondents challenge the findings and assessment of the penalty on the grounds that correspondence between the FEC and the Committee was impaired by a number of factors that precluded the Committee from discovering and curing its failure to file the July report for 30 days.

I. Respondents Never Received Late Filing Notice of July 21, 2016

During a recent period of administrative transition, the Committee took the irregular step of engaging Ms. Fong Huang -- Vice President of PASOFT Solutions & Services, Inc. ("PASOFT"), a third party PAC management software provider -- in uploading the June Monthly Report of Receipts and Disbursements ("June report") covering the period May 1, 2016 through May 31, 2016. In uploading the June report, Ms. Huang, as detailed in her enclosed affidavit (Exhibit 1), included her business email address in the required contact field.

RECEIVED
FEDERAL CENTER
2016 NOV -1 PM 3:11

11/03/2016

Also during this period, an administrative oversight by the Committee's federal election law counsel ("PAC counsel") led to its failure to file the July report by July 20, 2016, despite every intention to do so. As revealed in Ms. Huang's affidavit, the Committee assembled the July report using PASOFT's software on July 5, 2016 and made no changes before eventually filing on August 19, 2016.

On July 21, 2016 the FEC sent a Late Filing Notice email ("filing reminder"), which the FEC has advised is customary in the 24 hours after a report is due but has not been received. However, the filing reminder was sent to Ms. Huang. In the course of its compilation of this challenge, the Committee discovered that such notices are only sent to the email address captured with the last report filing, not the committee treasurer of record; and no letter is sent to the physical address on file with the FEC. Unfortunately, and as related in her affidavit, Ms. Huang neither expected to receive nor recognized that she had received the filing reminder, and therefore failed to alert the Committee. As a result, the Committee never received notice of its error and never had the chance to resolve it in a timely manner.

While the Committee bears full responsibility for its failure to file the July report by July 20, 2016, the FEC's system sends courtesy emails that are presumably intended to remind administrators of missed filing deadlines in the event of oversights such as the one mentioned in this challenge. If that system is predicated on the inclusion of an email address with each report, then that system strikes the Committee as one that runs the risk of breakdown due to an isolated instance involving, for example, the use of third party contact information, especially in light of a lack of disclosure around the system's reliance on email addresses submitted with previous reports. If treasurers, in their official capacities, are to be held in violation of FEC reporting requirements, then it seems reasonable that they should be contacted as part of any courtesy notification system.

II. First Failure to File Notice Filtered into Email Spam Folder of Denali's Treasurer

Two weeks after Ms. Huang received the filing reminder and failed to alert the Committee, the FEC's Reports Analysis Division sent an email ("first failure to file notice") to the Committee's Treasurer, Kimberly VanWyhe, on August 4, 2016. However, as described in her enclosed affidavit (Exhibit 2), that failure to file notice, sent from rad@fec.gov, was filtered into a Gmail Forums folder (akin to a spam folder). The failure to file notice never appeared in her inbox, and therefore never came to the Committee's attention. Ms. VanWyhe had recently assumed office, on August 2, 2016, and established a dedicated email account for correspondence with the FEC and others. She had received several emails from the FEC, sent from info@fec.gov, and others, and had no reason to believe that her account, with all standard default settings in place, would filter a critical piece of correspondence into a spam folder. However, that is precisely what happened, and the failure to file notice remained in one of Ms. VanWyhe's spam folders until discovered in the course of compiling this challenge.

III. Second Failure to File Notice and Resolution

The Committee's failure to file the July report was finally brought to its attention when the August Monthly Report of Receipts and Disbursements ("August report") covering the

period July 1, 2016 through July 31, 2016 was uploaded on August 19, 2016. The FEC's website would not accept the August report because it had not received the July report. This information ("second failure to file notice") was new to the Committee, being the first time FEC correspondence on the matter had become known to it. That same day, August 19, 2016, the Committee uploaded its July report, the one that had been completed the previous month and remained unaltered.

CONCLUSION

The Committee's failure to upload the July report by July 20, 2016 lies at the foundation of the violation in question. However, an arguably flawed alert system coupled with faulty correspondence resulted in an inability to cure an administrative error and a subsequent 30-day delay. The Committee makes every effort to comply with all FEC regulations, and would have done so if its violation had been brought to its attention sooner. The Committee filed the moment its violation was made known to it, albeit 30 days later. Looking forward, the Committee has taken steps to enhance future compliance with reporting requirements, including the addition of PAC counsel's email address to the Committee's Statement of Organization with the FEC.

The Committee respectfully urges the Commission to take these extenuating circumstances into consideration and withdraw its AF Letter and accompanying penalty.

Please contact me if you should have any questions or require any additional information.

Respectfully,

Meredith Leshner
Counsel, Denali Leadership PAC
Williams & Jensen, PLLC
701 8th Street, NW
Suite 500
Washington, D.C. 20001
Telephone: (202)973-5938
mklesher@wms-jen.com

Enclosures:

1. Affidavit of Ms. Fong Huang (Exhibit 1)
2. Affidavit of Ms. Kimberley VanWyhe (Exhibit 2)

Exhibit 1

In my capacity as Vice President of the third party PAC management software provider, PASOFT Solutions & Services, Inc. , and at the request of Denali Leadership PAC's federal election law counsel, Meredith Lesher, I assisted in uploading its May 2016 monthly report on June 20, 2016. I included my business email address with the uploaded report.

The following month, despite taking no part in the filing process for the June 2016 monthly report, I received a Late Filing Notice email from the FEC on July 21, 2016. Having performed no uploads in July, I was neither expecting nor looking out for emails from the FEC and regrettably did not forward the notice to Denali Leadership PAC's counsel or treasurer.

Additionally, I would like to add that PASOFT keeps a record of all changes made to monthly filings as they are being assembled, and that Denali Leadership PAC's June 2016 report was completed on July 5, 2016 and not amended before its eventual upload on August 19, 2016.

Fong Huang
Vice President
PASOFT Solutions & Services, Inc.

Subscribed and sworn to before me this _____ day of _____, 20__.

NOTARY PUBLIC

My Commission Expires:

(S E A L)

Exhibit 2

17-00000-1

INBOUNTMENT

In my capacity as the newly appointed treasurer of Denali Leadership PAC effective August 2, 2016, I established a dedicated email account through Gmail (keeping all default settings) and our federal election law counsel updated our Statement of Organization at the FEC to reflect that new email address. Having received a number of FEC emails, I assumed that correspondence was functioning, and would continue to function, smoothly. However, after Denali Leadership PAC's federal election law counsel received notice on August 19, 2016 that our report covering June 2016 activity had not yet been filed, it was brought to our attention that the FEC had sent an email from its Reports Analysis Division on August 5, 2016 alerting us to that failure to file. Confident that I had not missed the email, I performed a search of my inbox that confirmed my previous assumption that no such email had been received.

However, in the process of compiling a reason to believe (RTB) challenge, our counsel learned from the FEC Reviewing Officer that FEC records indicated an email had indeed been sent on August 5, 2016. With this new level of FEC certainty in mind, and with the assistance of an IT professional, I performed a more thorough search of my email account. They discovered the August 5, 2016 email in a filter folder separate from my inbox called Forums (akin to a spam folder). If I had received the email in my inbox, the matter would have been address with all haste. I had no reason to believe that critical emails from the FEC would land in a spam folder, unlike previous correspondence, and therefore missed the August 5, 2016 email notification of our failure to file, the only notice our committee received from the FEC, digital or otherwise. Upon further review, all prior emails delivered to my inbox from the FEC were from "info@fec.gov" email address, while the Forums folder contained one email from "rad@fec.gov."

Kimberly VanWyhe
Treasurer
Denali PAC

Subscribed and sworn to before me this _____ day of _____, 20__.

NOTARY PUBLIC

My Commission Expires:

(S E A L)



FEDERAL ELECTION COMMISSION
999 E Street, NW
Washington, DC 20463

STATEMENT OF DESIGNATION OF COUNSEL
Please use one form for each Respondent/Entity/Treasurer
FAX (202) 219-3923

MUR # AF#: 3140

NAME OF COUNSEL: Meredith K. Leshner

FIRM: Williams & Jensen PLLC

ADDRESS: 701 8th St, NW Ste. 500

Washington, DC 20001

TELEPHONE- OFFICE (202) 973-5938

FAX (202) 659-5249 Web Address www.williamsandjensen.com

The above-named individual and/or firm is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

10/31/14
Date

[Signature]
Respondent/Agent -Signature

Treasurer
Title (Treasurer/Candidate/Owner)

RESPONDENT: Derali Pac
(Committee Name, Company Name, or individual Named in Notification Letter)

MAILING ADDRESS: 701 8th Street NW Suite 500
(Please Print)

Washington D.C. 20001

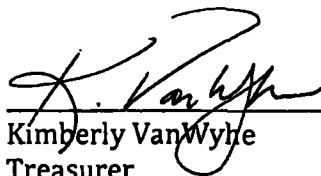
TELEPHONE- HOME ()

BUSINESS (202) 973-5938

Information is being sought as part of an investigation being conducted by the Federal Election Commission and the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. This section prohibits making public any investigation conducted by the Federal Election Commission without the express written consent of the person under investigation

In my capacity as the newly appointed treasurer of Denali Leadership PAC effective August 2, 2016, I established a dedicated email account through Gmail (keeping all default settings) and our federal election law counsel updated our Statement of Organization at the FEC to reflect that new email address. Having received a number of FEC emails, I assumed that correspondence was functioning, and would continue to function, smoothly. However, after Denali Leadership PAC's federal election law counsel received notice on August 19, 2016 that our report covering June 2016 activity had not yet been filed, it was brought to our attention that the FEC had sent an email from its Reports Analysis Division on August 5, 2016 alerting us to that failure to file. Confident that I had not missed the email, I performed a search of my inbox that confirmed my previous assumption that no such email had been received.

However, in the process of compiling a reason to believe (RTB) challenge, our counsel learned from the FEC Reviewing Officer that FEC records indicated an email had indeed been sent on August 5, 2016. With this new level of FEC certainty in mind, and with the assistance of an IT professional, I performed a more thorough search of my email account. They discovered the August 5, 2016 email in a filter folder separate from my inbox called Forums (akin to a spam folder). If I had received the email in my inbox, the matter would have been addressed with all haste. I had no reason to believe that critical emails from the FEC would land in a spam folder, unlike previous correspondence, and therefore missed the August 5, 2016 email notification of our failure to file, the only notice our committee received from the FEC, digital or otherwise. Upon further review, all prior emails delivered to my inbox from the FEC were from "info@fec.gov" email address, while the Forums folder contained one email from "rad@fec.gov."

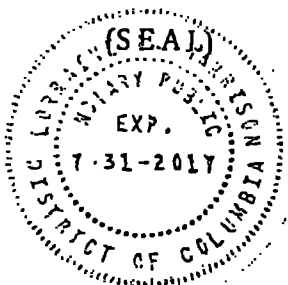


Kimberly VanWyhe
Treasurer
Denali PAC

Subscribed and sworn to before me this 31 day of October, 2016


NOTARY PUBLIC

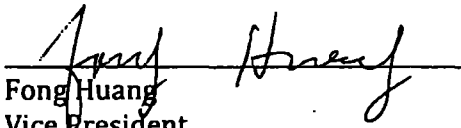
My Commission Expires: July 31, 2017



In my capacity as Vice President of the third party PAC management software provider, PASOFT Solutions & Services, Inc. , and at the request of Denali Leadership PAC's federal election law counsel, Meredith Leshner, I assisted in uploading its May 2016 monthly report on June 20, 2016. I included my business email address with the uploaded report.

The following month, despite taking no part in the filing process for the June 2016 monthly report, I received a Late Filing Notice email from the FEC on July 21, 2016. Having performed no uploads in July, I was neither expecting nor looking out for emails from the FEC and regrettably did not forward the notice to Denali Leadership PAC's counsel or treasurer.

Additionally, I would like to add that PASOFT keeps a record of all changes made to monthly filings as they are being assembled, and that Denali Leadership PAC's June 2016 report was completed on July 5, 2016 and not amended before its eventual upload on August 19, 2016.

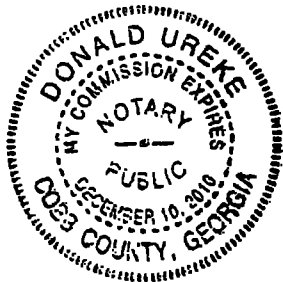

Fong Huang
Vice President
PASOFT Solutions & Services, Inc.

Subscribed and sworn to before me this 31 day of Oct, 2016


NOTARY PUBLIC

My Commission Expires: Dec 10, 2016

(SEAL)





FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.

December 28, 2016

**REVIEWING OFFICER RECOMMENDATION
OFFICE OF ADMINISTRATIVE REVIEW ("OAR")**

AF# 3140 – Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer (C00438291)

Summary of Recommendation

Make a final determination that the respondents violated 52 U.S.C. § 30104(a) and assess a \$3,500 civil money penalty.

Reason-to-Believe Background

The 2016 July Monthly Report was due on July 20, 2016. The respondents filed the report on August 19, 2016, 30 days late. The report is not election sensitive and was filed within 30 days of the due date; therefore, the report is considered late. 11 C.F.R. §§ 111.43(d)(1) and (e)(1).

On September 16, 2016, the Commission found reason to believe ("RTB") that the respondents violated 52 U.S.C. § 30104(a) for failing to timely file the 2016 July Monthly Report and made a preliminary determination that the civil money penalty was \$3,500 based on the schedule of penalties at 11 C.F.R. § 111.43. A letter was mailed to the respondents' address of record from the Reports Analysis Division ("RAD") on September 19, 2016 to notify them of the Commission's RTB finding and civil money penalty.

Legal Requirements

The Federal Election Campaign Act ("Act") states that the treasurer of a political committee not authorized by a candidate shall file a report for the month ending June 30 no later than July 20. 52 U.S.C. § 30104(a)(4)(B) and 11 C.F.R. § 104.5(c)(3)(i) Reports electronically filed must be received and validated at or before 11:59 pm Eastern Standard/Daylight Time on the filing deadline to be timely filed. 11 C.F.R. §§ 100.19(c) and 104.5(e). The treasurer shall be personally responsible for the timely filing of reports. 11 C.F.R. § 104.14(d).

Summary of Respondents' Challenge

On November 1, 2016, the Commission received the written response ("challenge") from the respondents' counsel. The Committee's 2016 July Monthly Report was compiled in a third-party software on July 5, 2016; however, an administrative oversight by Committee counsel led to it not being timely filed with the Commission. The Committee filed the report on August 19, 2016, with no changes from the original compilation on July 5, 2016. Counsel states the respondents are challenging "... on the grounds that correspondence between the FEC and the Committee was impaired by a number of factors that precluded the Committee from discovering and curing its failure to file the July report for 30 days."

Counsel further explains that the Committee's previous filing, the 2016 June Monthly Report, was electronically filed by a third-party software provider. During the filing process, Ms. Huang, an employee of that company, entered her business email address in FECFile's required contact field. On July 21, 2016, the Commission sent a late notification email to Ms. Huang, notifying her that the 2016 July Monthly Report had not been filed. Counsel states:

Unfortunately, and as related in her affidavit, Ms. Huang neither expected to receive nor recognized that she had received the filing reminder, and therefore failed to alert the Committee. As a result, the Committee never received notice of its error and never had the chance to resolve it in a timely manner.

While the Committee bears full responsibility for its failure to file the July report by July 20, 2016, the FEC's system sends courtesy emails that are presumably intended to remind administrators of missed filing deadlines in the event of oversights such as the one mentioned in this challenge. If that system is predicated on the inclusion of an email address with each report, then that system strikes the Committee as one that runs the risk of breakdown due to an isolated instance involving, for example, the use of third party contact information, especially in light of a lack of disclosure around the system's reliance on email addresses submitted with previous reports. If treasurers, in their official capacities, are to be held in violation of FEC reporting requirements, then it seems reasonable that they should be contacted as part of any courtesy notification system.

In addition, RAD's email of August 4, 2016 never came to the Committee's attention because it was filtered into the Treasurer's Gmail Forums folder. Counsel explains:

Ms. VanWyhe had recently assumed office, on August 2, 2016, and established a dedicated email account for correspondence with the FEC and others. She had received several emails from the FEC, sent from info@fec.gov, and others, and had no reason to believe that her account, with all standard default settings in place, would filter a critical piece of correspondence into a spam folder. However, that is precisely what happened, and the failure to file notice remained in one of Ms. VanWyhe's spam folders until discovered in the course of compiling this challenge.

Counsel states that the Committee first became aware of the missing 2016 July Monthly Report on August 19, 2016, when attempting to file the 2016 August Monthly Report. The Committee could not file the August Monthly Report because the Commission had not yet received the July Monthly Report. The Committee filed the 2016 July Monthly Report that same day, exactly as compiled in the previous month.

In conclusion, counsel requests that the penalty be waived given "... an arguably flawed alert system coupled with faulty correspondence resulted in an inability to cure an administrative error and a subsequent 30-day delay." Counsel highlights that the Committee filed the report as soon as it was made aware of the violation and would have done so sooner if it had known. Counsel also states that the Committee has taken steps to ensure future compliance, including adding counsel's email address to the Committee's Statement of Organization.

The challenge includes affidavits of Ms. Fong Huang and Ms. Kimberly VanWyhe.

Analysis

Counsel acknowledges that the Committee is responsible for failing to timely file the 2016 July Monthly Report. The Committee states that it did not receive notice that it had failed to file the report until August 19, 2016. On that day, the Committee filed the 2016 July Monthly Report, 30 days late.

On July 21, 2016, the Commission's Electronic Filing Office ("EFO") sent a late notification email to fong.huang@pasoftsolutions.com, the email address previously provided by the filer. The respondents explain that this email was sent to Ms. Huang, an employee of the third-party filing software provider which electronically filed the Committee's previous report. Ms. Huang overlooked this email and did not forward it on to the respondents. On August 4, 2016, RAD sent a non-filer notification via email to kimdenalipac@gmail.com, the email address listed on the Committee's Statement of Organization. The respondents explain that the Treasurer did not see this email notification because it was filtered into a Gmail Forums folder.

The Reviewing Officer confirms that the Commission's notifications were sent consistent with the current business practices. The Committee was not alerted to the missing report because the recipients inadvertently overlooked both notifications. Negligence is included at 11 C.F.R. § 111.35(d) as an example of a circumstance that will not be considered reasonably unforeseen and beyond the respondents' control. Their challenge fails to address any of the three valid grounds at 11 C.F.R. § 111.35(b). These are: (i) the RTB finding is based on factual errors; and/or (ii) the improper calculation of the civil money penalty; and/or (iii) they used best efforts to file on time but were prevented from doing so by reasonably unforeseen circumstances that were beyond their control and they filed the report no later than 24 hours after the end of these circumstances. Therefore, the Reviewing Officer recommends that the Commission make a final determination that the respondents violated 52 U.S.C. § 30104(a) and assess a \$3,500 civil money penalty.

OAR Recommendations

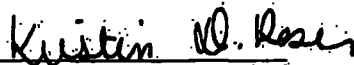
1. Adopt the Reviewing Officer recommendation for AF# 3140 involving Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer, in making the final determination;
2. Make a final determination in AF# 3140 that Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer, violated 52 U.S.C. § 30104(a) and assess a \$3,500 civil money penalty; and
3. Send the appropriate letter.

Attachments

- Attachment 1 –
- Attachment 2 –
- Attachment 3 – Declaration from RAD
- Attachment 4 – Declaration from OAR

DECLARATION OF KRISTIN D. ROSER

1. I am the Chief of the Compliance Branch for the Reports Analysis Division of the Federal Election Commission ("Commission"). In my capacity as Chief of the Compliance Branch, I oversee the initial processing of the Administrative Fine Program. I make this declaration based on my personal knowledge and, if called upon as a witness, could and would testify competently to the following matters.
2. It is the practice of the Reports Analysis Division to document all calls to or from committees regarding a letter they receive or any questions relating to the FECFile software or administrative fine regulations, including due dates of reports and filing requirements.
3. I hereby certify that documents identified herein are true and accurate copies of the following sent by the Commission to Denali Leadership PAC:
 - A) Non-Filer Letter, dated August 4, 2016, referencing the 2016 July Monthly Report (sent via electronic mail to: kimdenalipac@gmail);
 - B) Reason-to-Believe Letter, dated September 19, 2016, referencing the 2016 July Monthly Report (sent via overnight mail to the address of record).
4. I hereby certify that I have searched the Commission's public records and find that Denali Leadership PAC filed the 2016 July Monthly Report with the Commission on August 19, 2016.
5. Pursuant to 28 U.S.C. 1746, I declare under penalty of perjury that the foregoing is true and correct and that all relevant telecoms for the matter have been provided. This declaration was executed at Washington, D.C. on the 7th day of December, 2016.


Kristin D. Roser
Chief, Compliance Branch
Reports Analysis Division
Federal Election Commission



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-7

August 4, 2016

KIMBERLY VANWYHE, TREASURER
DENALI LEADERSHIP PAC
701 8TH STREET NW SUITE 500
WASHINGTON, DC 20007

IDENTIFICATION NUMBER: C00438291

REFERENCE: JULY MONTHLY REPORT (06/01/2016 - 06/30/2016)

Dear Treasurer:

It has come to the attention of the Federal Election Commission that you may have failed to file the above referenced report of receipts and disbursements or failed to file a report covering the entire reporting period as required by the Federal Election Campaign Act, as amended. 52 U.S.C. §30104(a)

It is important that you file this report immediately with the Federal Election Commission, 999 E Street, N.W., Washington, DC 20463. Please note that electronic filers must submit their reports electronically, as per 11 CFR §104.18. A copy of the report or relevant portions must also be filed with the Secretary of State or equivalent State officer unless the State is exempt from the federal requirement to receive and maintain paper copies. You can verify the Commission's receipt of any documents submitted by your committee on the FEC website at www.fec.gov.

The failure to timely file a complete report may result in civil money penalties, an audit or legal enforcement action. The civil money penalty calculation for late reports does not include a grace period and begins on the day following the due date for the report. Due to heightened security screening measures, delivery of mail by the US Postal Service may be delayed. The Commission recommends that you submit your report via overnight delivery or courier service.

If you have any questions regarding this matter, please contact David Garr in the Reports Analysis Division on our toll free number (800) 424-9530. The analyst's direct number is (202) 694-1137.

DENALI LEADERSHIP PAC

Page 2 of 2

Sincerely,

Debbie Chacona

250

Deborah Chacona
Assistant Staff Director
Reports Analysis Division

DECLARATION OF RHIANNON MAGRUDER

- 1) I am the Reviewing Officer in the Office of Administrative Review for the Federal Election Commission ("Commission"). In my capacity as Reviewing Officer, I conduct research with respect to all challenges submitted in accordance with the Administrative Fine program.
- 2) A political committee not authorized by a candidate which is filing on a Monthly basis in an election year shall file a July Monthly Report by July 20. Reports filed electronically must be received and validated at or before 11:59 pm, Eastern Standard/Daylight Time on July 20, 2016 for the 2016 July Monthly Report to be timely filed.
- 3) I hereby certify that I have searched the Commission's public records and that the documents identified herein are the true and accurate copies of:
- a) Page 1 of the Amended Statement of Organization filed by Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer, on August 2, 2016. The committee's email address is listed as kimdenalipac@gmail.com.
 - b) Cover page of the 2016 July Monthly Report filed by Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer, on August 19, 2016.
- 4) Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed at Washington, D.C. on the 28th day of December, 2016.

Rhiannon Magruder

Rhiannon Magruder
Reviewing Officer
Office of Administrative Review
Federal Election Commission

**FEC
FORM 1****STATEMENT OF
ORGANIZATION**

Office Use Only

1. NAME OF COMMITTEE (in full) (Check if name is changed) Example: If typing, type over the lines. 12FE4M5

Denali Leadership PAC

ADDRESS (number and street)

701 8th Street NW

X (Check if address is changed)

Suite 500

Washington

CITY ▲

DC

STATE ▲

20007

ZIP CODE ▲

COMMITTEE'S E-MAIL ADDRESS

X (Check if address is changed)

kimdenalipac@gmail.com

Optional Second E-Mail Address

COMMITTEE'S WEB PAGE ADDRESS (URL)

(Check if address is changed)

2. DATE M M / D D / Y Y Y Y 08 02 2016

3. FEC IDENTIFICATION NUMBER ► C C00438291

4. IS THIS STATEMENT NEW (N) OR X AMENDED (A)

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer Kimberly VanWyhe

Signature of Treasurer

Kimberly VanWyhe

[Electronically Filed]

Date

M M / D D / Y Y Y Y 08 02 2016

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g. ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

Office
Use
Only

For further information contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-694-1100

FEC FORM 1
(Revised 06/2012)

Image# 201608199022534803

**FEC
FORM 3X****REPORT OF RECEIPTS
AND DISBURSEMENTS**
For Other Than An Authorized Committee

Office Use Only

1. NAME OF COMMITTEE (in full) TYPE OR PRINT ▼ Example: If typing, type over the lines. 12FE4M5

Denali Leadership PAC

ADDRESS (number and street)

701 8th Street NW

Suite 500

Check if different
than previously
reported. (ACC)

Washington

DC

20007

2. FEC IDENTIFICATION NUMBER ▼ CITY ▲ STATE ▲ ZIP CODE ▲

C C00438291

3. IS THIS REPORT X NEW (N) OR AMENDED (A)

4. TYPE OF REPORT
(Choose One)

(a) Quarterly Reports:

April 15
Quarterly Report (Q1)July 15
Quarterly Report (Q2)October 15
Quarterly Report (Q3)January 31
Year-End Report (YE)July 31 Mid-Year
Report (Non-election
Year Only) (MY)Termination Report
(TER)

(b) Monthly Report Due On:	Feb 20 (M2)	May 20 (M5)	Aug 20 (M8)	Nov 20 (M11) (Non-Election Year Only)
Mar 20 (M3)		Jun 20 (M6)	Sep 20 (M9)	Dec 20 (M12) (Non-Election Year Only)
Apr 20 (M4)		X Jul 20 (M7)	Oct 20 (M10)	Jan 31 (YE)

(c) 12-Day PRE-Election Report for the:	Primary (12P)	General (12G)	Runoff (12R)
Convention (12C)		Special (12S)	

Election on	in the State of

(d) 30-Day POST-Election Report for the:	General (30G)	Runoff (30R)	Special (30S)

Election on	in the State of

5. Covering Period 06 01 2016 through 06 30 2016

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer Kimberly VanWyhe

Signature of Treasurer Kimberly VanWyhe [Electronically Filed] Date 07 05 2016

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

Office
Use
Only**FEC FORM 3X**
Rev. 12/2004



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 29, 2016

Meredith K. Leshner, Esq.
Williams & Jensen, PLLC
701 8th Street, NW
Suite 500
Washington, DC 20001

Denali Leadership PAC
C00438291
AF#: 3140

Dear Ms. Leshner:

On September 16, 2016, the Federal Election Commission ("Commission") found reason to believe ("RTB") that Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer ("respondents"), violated 52 U.S.C. § 30104(a) for failing to timely file the 2016 July Monthly Report. The Commission also made a preliminary determination that the civil money penalty was \$3,500 based on the schedule of penalties at 11 C.F.R. § 111.43.

After reviewing your written response and any supplemental information submitted by you and Commission staff, the Reviewing Officer has recommended that the Commission make a final determination. A copy of the Reviewing Officer's recommendation is attached.

You may file with the Commission Secretary a written response to the recommendation within 10 days of the date of this letter. Your written response should be sent to the Commission Secretary, 999 E Street, NW, Washington, DC 20463 or via facsimile (202-208-3333). Please include the AF # in your response. Your response may not raise any arguments not raised in your original written response or not directly responsive to the Reviewing Officer's recommendation. 11 C.F.R. § 111.36(f). The Commission will then make a final determination in this matter.

Please contact me at the toll free number 800-424-9530 (press 0, then press 1660) or 202-694-1660 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Rhiannon Magruder".

Rhiannon Magruder
Reviewing Officer
Office of Administrative Review

SENSITIVE



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 3, 2017

MEMORANDUM

To: The Commission

Through: Alec Palmer *AP*
Staff Director

From: Patricia C. Orrock *PCO*
Chief Compliance Officer

Rhiannon Magruder *RM*
Reviewing Officer
Office of Administrative Review

Subject: Final Determination Recommendation in AF# 3140 – Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer (C00438291)

2017 FEB -3 AM 10:36

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIA

On September 16, 2016, the Commission found reason to believe ("RTB") that the respondents violated 52 U.S.C. § 30104(a) for failing to timely file the 2016 July Monthly Report and made a preliminary determination that the civil money penalty was \$3,500 based on the schedule of penalties at 11 C.F.R. § 111.43.

On November 1, 2016, the Commission received their written response ("challenge"). After reviewing the challenge, the Reviewing Officer Recommendation ("ROR") dated December 28, 2016 was forwarded to the Commission, a copy was forwarded to the respondents, and is hereby incorporated by reference. The Reviewing Officer recommended that the Commission make a final determination that the respondents violated 52 U.S.C. § 30104(a) and assess a \$3,500 civil money penalty.

Within 10 days of transmittal of the recommendation, they may file a written response with the Commission Secretary which may not raise any arguments not raised in their challenge or not directly responsive to the ROR. 11 C.F.R. § 111.36(f). The respondents have since indicated they will not be submitting a response to the ROR.

OAR Recommendations

1. Adopt the Reviewing Officer recommendation for AF# 3140 involving Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer, in making the final determination;
2. Make a final determination in AF# 3140 that Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer, violated 52 U.S.C. § 30104(a) and assess a \$3,500 civil money penalty; and
3. Send the appropriate letter.

11-000000-000000

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) AF 3140
Final Determination Recommendation -)
Denali Leadership PAC and Kimberly)
VanWyhe, in her official capacity as)
Treasurer (C00438291))

CERTIFICATION


I, Dayna C. Brown, Acting Secretary and Clerk of the Federal Election Commission, do hereby certify that on February 16, 2017, the Commission decided by a vote of 6-0 to take the following actions in AF 3140:

1. Adopt the Reviewing Officer recommendation for AF# 3140 involving Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer, in making the final determination.
2. Make a final determination in AF# 3140 that Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer, violated 52 U.S.C. § 30104(a) and assess a \$3,500 civil money penalty.
3. Send the appropriate letter.

Commissioners Goodman, Hunter, Petersen, Ravel, Walther, and Weintraub voted affirmatively for the decision.

Attest:

February 16, 2017
Date


Dayna C. Brown
Acting Secretary and Clerk of the
Commission



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 21, 2017

Meredith K. Leshner
Williams & Jensen, PLLC
701 8th Street, NW
Suite 500
Washington, D.C. 20001

Denali Leadership PAC
C00438291
AF#: 3041

Dear Counsel:

On September 16, 2016, the Federal Election Commission ("the Commission") found reason to believe ("RTB") that Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer, violated 52 U.S.C. § 30104(a) for failing to file the 2016 July Monthly Report. By letter dated September 19, 2016, the Commission sent notification of the RTB finding that included a civil money penalty calculated at RTB of \$3,500 in accordance with the schedule of penalties at 11 C.F.R. § 111.43. On November 1, 2016, the Office of Administrative Review received your written response challenging the RTB finding.

The Reviewing Officer reviewed the Commission's RTB finding with its supporting documentation and your written response. Based on this review, the Reviewing Officer recommended that the Commission make a final determination that Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer, violated 52 U.S.C. § 30104(a) and assess a civil money penalty in the amount of \$3,500 in accordance with 11 C.F.R. § 111.43. The Reviewing Officer Recommendation was sent to you on December 28, 2016.

On February 16, 2017, the Commission adopted the Reviewing Officer's recommendation and made a final determination that Denali Leadership PAC and Kimberly VanWyhe, in her official capacity as Treasurer, violated 52 U.S.C. § 30104(a) and assessed a civil money penalty in the amount of \$3,500. A copy of the Final Determination Recommendation is attached.

At this juncture, the following courses of action are available to you:

1. If You Choose to Appeal the Final Determination and/or Civil Money Penalty

If you choose to appeal the final determination, you should submit a written petition, within 30 days of receipt of this letter, to the U.S. District Court for the district in which the committee or you reside, or transact business, requesting that the final determination be modified or set aside. See 52 U.S.C. § 30109(a)(4)(C)(iii). Your failure to raise an argument in a timely fashion during the administrative process shall be deemed a waiver of the respondents' right to present such argument in a petition to the district court under 52 U.S.C. § 30109. 11 CFR § 111.38.

2. If You Choose Not to Pay the Civil Money Penalty and Not to Appeal

Unpaid civil money penalties assessed through the Administrative Fine regulations will be subject to the Debt Collection Act of 1982 ("DCA") as amended by the Debt Collection Improvement Act of 1996 ("DCIA"), 31 U.S.C. § 3701 *et seq.* If you do not pay this debt within 30 days (or file a written petition to a federal district court - see below), the Commission will transfer the debt to the U.S. Department of the Treasury ("Treasury") for collection. Within 5 days of the transfer to Treasury, Treasury will contact you to request payment. Treasury currently charges a fee of 28% of the civil money penalty amount for its collection services. The fee will be added to the amount of the civil money penalty that you owe. Should Treasury's attempts fail, Treasury will refer the debt to a private collection agency ("PCA"). If the debt remains unpaid, Treasury may recommend that the Commission refer the matter to the Department of Justice for litigation.

Actions which may be taken to enforce recovery of a delinquent debt by Treasury may also include: (1) offset of any payments, which the debtor is due, including tax refunds and salary; (2) referral of the debt to agency counsel for litigation; (3) reporting of the debt to a credit bureau; (4) administrative wage garnishment; and (5) reporting of the debt, if discharged, to the IRS as potential taxable income. In addition, under the provisions of DCIA and other statutes applicable to the FEC, the debtor may be subject to the assessment of other statutory interest, penalties, and administrative costs.

In accordance with the DCIA, at your request, the agency will offer you the opportunity to inspect and copy records relating to the debt, the opportunity for a review of the debt, and the opportunity to enter into a written repayment agreement.

3. If You Choose to Pay the Civil Money Penalty

If you should decide to pay the civil money penalty, follow the payment instructions on page 4 of this letter. You should make payment within thirty (30) days of receipt of this letter.

NOTICE REGARDING PARTIAL PAYMENTS AND SETTLEMENT OFFERS

4. Partial Payments

If you make a payment in an amount less than the civil money penalty, the amount of your partial payment will be credited towards the full civil money penalty that the Commission assessed upon making a final determination.

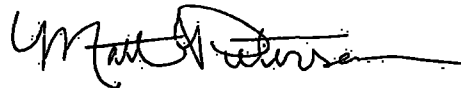
5. Settlement Offers

Any offer to settle or compromise a debt owed to the Commission, including a payment in an amount less than the civil money penalty assessed or any restrictive endorsements contained on your check or money order or proposed in correspondence transmitted with your check or money order, will be rejected. Acceptance and deposit or cashing of such a restricted payment does not constitute acceptance of the settlement offer. Payments containing restrictive endorsements will be deposited and treated as a partial payment towards the civil money penalty that the Commission assessed upon making a final determination. All unpaid civil money penalty amounts remaining will be subject to the debt collection procedures set forth in Section 2, above.

The confidentiality provisions at 52 U.S.C. § 30109(a)(12) no longer apply and this matter is now public. Pursuant to 11 C.F.R. §§ 111.42(b) and 111.20(c), the file will be placed on the public record within 30 days from the date of this notification.

If you have any questions regarding the payment of the civil money penalty, please contact Rhiannon Magruder on our toll free number (800) 424-9530 (press 0, then ext. 1660) or (202) 694-1660.

On behalf of the Commission,



Matthew S. Petersen
Chair

ADMINISTRATIVE FINE PAYMENT INSTRUCTIONS

In accordance with the schedule of penalties at 11 C.F.R. § 111.43, the civil money penalty is \$3,500 for the 2016 July Monthly Report.

You may remit payment by ACH withdrawal from your bank account, or by debit or credit card through Pay.gov, the federal government's secure portal for online collections. Visit www.fec.gov/af/pay.shtml to be directed to Pay.gov's Administrative Fine Program Payment form.

This penalty may also be paid by check or money order made payable to the Federal Election Commission. It should be sent by mail to:

Federal Election Commission
PO Box 979058
St. Louis, MO 63197-9000

If you choose to send your payment by courier or overnight delivery, please send to:

U.S. Bank - Government Lockbox
FEC #979058
1005 Convention Plaza
Attn: Government Lockbox, SL-MO-C2GL
St. Louis, MO 63101

PAYMENTS BY PERSONAL CHECK

Personal checks will be converted into electronic funds transfers (EFTs). Your account will be electronically debited for the amount on the check, usually within 24 hours, and the debit will appear on your regular statement. We will destroy your original check and keep a copy of it. In case the EFT cannot be processed for technical reasons, you authorize us to process the copy in lieu of the original check. Should the EFT not be completed because of insufficient funds, we may try to make the transfer twice.

PLEASE DETACH AND RETURN THE PORTION BELOW WITH YOUR PAYMENT

FOR: Denali Leadership PAC

FEC ID#: C00438291

AF#: 3041

PAYMENT AMOUNT DUE: \$3,500

THIS IS THE END OF ADMINISTRATIVE FINE CASE # 3140

THE BOUNDRY LINE